

REBUTTAL TESTIMONY OF ROY BOSTON

ON BEHALF OF THE RETAIL ENERGY SUPPLY ASSOCIATION

A. Witness Identification

A. My name is Roy Boston. My business address is 1901 Butterfield Road, Suite 660, Downers Grove, IL. 60515.

Q. Are you the same Roy Boston who offered Direct Testimony on behalf of the Retail Energy Supply Association (“RESA”) in this proceeding?

A. Yes.

Q. Has there been a change in your employment since you submitted your Direct Testimony in this proceeding?

13 A. Yes, my former employer, the retail energy supplier, Sempra Energy Solutions LLC, was
14 acquired by Noble Americas. My title remains Strategic Planning and Policy Manager—
15 East.

16 Q. **On whose behalf are you offering rebuttal testimony in this proceeding?**

17 A. On behalf of the Retail Energy Supply Association, better known as RESA.

18 B. Purpose and Scope of Direct Testimony

19 Q. **What is the purpose of your rebuttal testimony?**

20 A. In my direct testimony, I addressed, on behalf of RESA, the following issues in this
21 proceeding: 1) Commonwealth Edison Company's ("ComEd") proposed interval data
22 charges; 2) ComEd's practices with respect to customer attribute changes by customers of
23 a Retail Electric Supplier ("RES"); 3) ComEd's practices with respect to "make-up bills";
24 4) ComEd's proposed changes to its Limitations of Liability provision and 5) ComEd's
25 proposed increases in its line losses. Various ComEd witnesses offered rebuttal
26 testimony on the five issues which I raised. I am responding to the rebuttal witnesses
27 regarding the first three issues I raised: interval data charges, ComEd's practices
28 regarding customer attribute changes, and ComEd's practices with respect to "make-up
29 bills". Although I have not changed my position regarding the last two issues, I have
30 nothing further to add to the record on those issues at this time.

31 Q. **Would you please summarize your rebuttal testimony in this proceeding?**

32 A. First, in my direct testimony, I stated that ComEd's proposed interval data charges are too
33 large and out of line with the electric industry; they should be eliminated or at least

34 reduced substantially. Subsequently, ComEd found an error in its calculation and
35 proposed to reduce the interval data charge from \$17 per meter to \$11 per meter.
36 (Rebuttal Testimony of Lawrence S. Alongi, ComEd Ex. 49.0, p. 57) However,
37 subsequent to Mr. Alongi's rebuttal testimony, additional major errors were found in
38 ComEd's calculation which demonstrate that any interval data charge should be set on a
39 per request basis. Second, in my direct testimony, I stated that ComEd's practices with
40 respect to customer attribute changes by customers of a RES are damaging to the RES
41 and customers and should be changed. ComEd's witness, Dr. Hemphill, takes the
42 position that this is outside the scope of this proceeding. (ComEd Ex. 40.0, pp. 3-4)
43 ComEd witness, Mr. Fidel Marquez, Jr., defends ComEd's practice. (ComEd Ex. 36.0, p.
44 30) Third, in my direct testimony, I stated that ComEd's practices with respect to
45 "make-up bills" should be revised. Again, ComEd's witness, Dr. Hemphill takes the
46 position that this matter is outside the scope of this proceeding. (ComEd Ex. 40.0, pp. 3-
47 4) He also defends ComEd's practice. (*Id.*, pp. 9-11) With respect to the second and
48 third issues, RESA is willing to forego pursuing these matters in this proceeding,
49 assuming that there is a workable alternative. I will address this workable alternative
50 below.

51 II. INTERVAL DATA CHARGES

52 **Q. In his rebuttal testimony, Dr. Hemphill addresses your proposal regarding interval**
53 **data charges. He claims that your proposal is not justified and that "ComEd's**
54 **charges are based on the costs that ComEd incurs to provide the information to**
55 **RESs". (*Id.*, pp. 8-9) Please comment.**

56 A. First, I would note that ComEd's \$17 per meter charge proposed in direct testimony is
57 erroneous. ComEd notes that, in responding to data requests from RESA, it discovered
58 an error in the calculation of the interval data charge and proposed to reduce this charge
59 to \$11 per meter. (Rebuttal Testimony of Lawrence S. Alongi, ComEd Ex. 49.0, p. 57)
60 However, an even more egregious error was subsequently discovered. ComEd's data
61 request responses to the Commission Staff demonstrate that the charge should have been
62 set on a per request basis (ComEd's Responses to ICC Staff Data Requests TC 1.01
63 through TC 1.04, dated December 20, 2010). That is, the current charge established in
64 ComEd's last rate case (as well as the charge proposed by ComEd in this proceeding)
65 was based on dividing costs for providing interval data by the number of requests for
66 such data, not the number of meters for which data was provided. Therefore, the charge
67 should be set at \$11 per request in this proceeding.

68 Consequently, ComEd's data request responses demonstrate that ComEd has been
69 miscalculating its interval data charges since at least 2008 (after the Order in its last rate
70 case, Ill. C. C. Docket 07-0566), resulting in excessive data acquisition charges to
71 suppliers and increased costs to shopping customers. Accordingly, it is appropriate and
72 necessary to adopt RESA's recommendation to charge an interval data request fee of \$11
73 per request, which represents a more reasonable and cost effective data acquisition fee
74 going forward.

75 III. ComEd PROCEDURES REGARDING NAME CHANGES

76 **Q. In your direct testimony, you testified that RESA is proposing a change to ComEd's**
77 **procedures for handling certain account attribute changes on accounts where the**
78 **customer is receiving service from a RES. In his rebuttal testimony (ComEd Ex.**

79 **36.0, p. 30), Mr. Fidel Marquez Jr. responds with an explanation of ComEd's**
80 **procedures. Please comment.**

81 A. I understand that when the legal identity of a customer changes, ComEd has to create a
82 new account. My direct testimony, however, went to ComEd's current procedure of
83 dropping the customer from RES service and putting the customer back on utility service,
84 which creates problems for both the customer and the RES. ComEd needs to work with
85 the RESs to change its procedures to solve these problems. I offered a solution which
86 would satisfy ComEd's concerns regarding the accuracy of its accounts, but without
87 creating the problems that ComEd's current procedures create for RESs and their
88 customers. Unfortunately, Mr. Marquez chose not to address that solution in his rebuttal
89 testimony.

90 **Q. In his rebuttal testimony, Dr. Hemphill claims that your proposal regarding**
91 **ComEd's practice with respect to customer attribute changes should not be**
92 **considered in this docket. (ComEd Ex. 40.0, pp. 3-4) Do you agree?**

93 A. No, this proceeding is examining the appropriateness of ComEd's proposed rate increase
94 which is based on all of its costs. In fact, subsequently, in his testimony, Dr. Hemphill
95 indicates that I failed "to address cost recovery for [my] proposals, much less recommend
96 a means of recovering the additional costs [my] proposals would create. (*Id.*, p. 8)
97 Examining this issue in this proceeding would give ComEd the opportunity to
98 demonstrate, if it were true, that a change in its current practice, would increase its costs
99 and to seek recovery of such an increase.

100 However, RESA is willing to address this issue in a forum outside of this rate proceeding,
101 although not limited to some informal discussions with ComEd. RESA and its members
102 have had such discussions on this issue and they have not been productive to date. RESA
103 would be willing to address this issue in a proceeding brought pursuant to Section 9-250
104 of the Public Utilities Act, but this proceeding would have to be timely, commencing no
105 later than March 31, 2011.

106 IV. "MAKE-UP BILLS"

107 Q. **In your direct testimony, you testified regarding ComEd's current procedures with**
108 **respect to "make-up bills" for customers of RESs? In his rebuttal testimony, Dr.**
109 **Hemphill again claims that this matter is outside the scope of this proceeding.**
110 **(ComEd Ex. 40.0, pp. 3-4) Later in his rebuttal testimony, he argues that RESA's**
111 **proposal with respect to ComEd's procedures regarding such make-up bills is not**
112 **reasonable. (*Id.*, pp. 9-11). Please comment.**

113 A. As I stated before, this proceeding examines the appropriateness of ComEd's proposed
114 rate increase which is based on all of its costs. Again, examining this issue in this
115 proceeding would resolve Dr. Hemphill's concern (on page 8 of his rebuttal testimony)
116 by giving ComEd the opportunity to demonstrate, if it were true, that a change in its
117 current practice, would increase its costs and to seek recovery of such an increase.

118 However, RESA is willing to address this issue in a forum outside of this rate proceeding,
119 namely the same Section 9-250 proceeding to which I referred in connection with
120 RESA's proposal regarding ComEd's current procedure for handling customer attribute
121 changes, provided that such proceeding commence no later than March 31, 2011.

122 V. CONCLUSION

123 **Q. Would you please make any concluding remarks?**

124 A. RESA's conclusions are as follows. First, ComEd's interval data charge should be
125 reduced to \$11 per request. Second, RESA will withdraw its proposed procedure for
126 handling customer attribute changes in this proceeding, if ComEd and the Commission
127 Staff agree to address this issue in a proceeding initiated pursuant to Section 9-250 of the
128 Public utilities Act, commencing no later than March 31, 2011. Third, RESA is willing
129 to withdraw its proposal for handling "make-up bills" in this proceeding if this matter is
130 covered in the Section 9-250 proceeding mentioned above.

131 **Q. Does this conclude your rebuttal testimony?**

132 A. Yes, it does.

NOTICE OF FILING

Please take note that on December 23, 2010, I caused to be filed via e-docket with the Chief Clerk of the Illinois Commerce Commission, the attached Rebuttal Testimony of Roy Boston on behalf of the Retail Energy Supply Association in this proceeding.

Dated: December 23, 2010

/s/GERARD T. FOX
Gerard T. Fox

CERTIFICATE OF SERVICE

I, Gerard T. Fox, certify that I served copies of the foregoing Rebuttal Testimony of Roy Boston on behalf of the Retail Energy Supply Association, upon the parties on the service list maintained on the Illinois Commerce Commission's eDocket system for the instant docket via electronic delivery on December 23, 2010.

/s/ GERARD T. FOX
Gerard T. Fox